

COUNTY EMPLOYEES' ANNUITY & BENEFIT FUND OF COOK COUNTY
And Ex-Officio for the
FOREST PRESERVE DISTRICT ANNUITY & BENEFIT FUND
MEETING OF THE BOARD OF TRUSTEES
33 N. DEARBORN STREET-ROOM 1000
CHICAGO, ILLINOIS 60602

Minutes for November 9, 2010 Special Meeting of the Board

The County Fund and the Forest Preserve District Fund are herein collectively referred to as the "Fund".

Call to Order and Roll Call.

Trustees Present: Clem Balanoff, Robert Benjamin, Karen Crawford, Mark Kilgallon, Constance M. Kravitz

Staff Present: Daniel R. Degnan, Executive Director, Nickol Hackett, Chief Investment Officer, Michael Maratea, Director of Finance, Fernando Vinzons, Investment Analyst

Mr. Kilgallon presided.

1. General Investment Consultant Search.

Mr. Kilgallon summarized the events leading up to the Special Meeting. He explained that the Board directed that a general investment consultant search be conducted and that of the respondents to the RFP, three finalists were selected for further due diligence and finalists presentations to the Investment Committee. He further explained that after the Board selected the finalists, one of the finalists announced that it was leaving the public pension consulting business and that it was resigning from its existing clients and not pursuing additional business. As such, two finalists remained. He stated that prior to the finalist presentations the Board instructed that the incumbent consultant, Marquette Associates be invited to make a finalist presentation.

He explained that the finalists presented to the Investment Committee and that the Committee took no action on the matter at the date of the presentations. He stated that the matter was not placed on the November 4, 2010 Board Agenda and as such the Board felt it more prudent to address the matter at a Board Meeting for which the item was listed on the agenda. The Board called this Special Meeting for no other purpose than to address and finalize this matter and to proceed with the selected consultant in due course.

It was moved by Trustee Kravitz and seconded by Trustee Benjamin that pursuant to the Investment Consultant search conducted in accordance with the Funds' Procurement Policy and upon recommendation of professional staff, that the Board retain Callan Associates for a 3 year term as the Funds' Investment Consultant,

effective as of January 1, 2011, subject to successful contract negotiations. It was further moved that the Executive Director and the Funds' staff in coordination with legal counsel, be authorized to take all action reasonably necessary to effectuate the foregoing, including execution of related written agreement on behalf of the Funds.

Roll Call Vote:

AYES: Benjamin, Kilgallon, Kravitz

PRESENT: Balanoff, Crawford

NAYS:

Vote Result: MOTION ADOPTED

Mr. Kilgallon stated the Marquette Associates had done a very good job through an extremely difficult time for all investors and directed staff to communicate the same to the representatives of Marquette. He stated that the Funds need to embark on a new path and our needs have changed rapidly to include a greater focus in the alternatives investment space.

2. Adjournment

After consideration of all items of business, it was moved and seconded that the meeting be adjourned.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

The Board's next regular meeting is scheduled for December 2, 2010.